



Newsletter Producer Price Index (PPI) April, 2013



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Producer Price Inflation Decreased to 10.2% in April 2013

The Producer Price Index

The Producer Price Index (PPI) measures the average change over time in the prices received by domestic producers for the production of their goods and services. The PPI for Ghana reports the producer price indices with reference to September 2006, the base period. This release shows the producer price changes since September 2006, as well as the annual (year-on-year) and monthly inflation rates, for all industry and three major sub-sectors of industry (Mining and Quarrying, Manufacturing, and Utilities) for the last twelve months. The figures for the month of April 2013 are provisional, and are subject to revision when additional data are available. All other indicators are final.

April 2013 Producer Inflation

The Producer Price Index increased by 10.2 percent between April 2012 and April 2013 (year-on-year), representing a decrease in producer inflation by 0.4 percentage points relative to the rate recorded in March 2013 (10.6%). The month-on-month change in producer prices between March 2013 and April 2013 was -0.1 percent. (Table 1).

Table 1: PPI for March 2013 and April 2013

Month	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
March, 2013	p 302.7	p 2.6	p 10.7
March, 2013 rev	302.5	2.5	10.6
April, 2013	p 302.1	p -0.1	p 10.2

P: Provisional

In April 2013, the producer price inflation in the Mining and Quarrying subsector decreased by 4.0 percentage points over the March 2013 rate of 6.4 percent, to record 2.4 percent. Manufacturing, which constitutes more than two-thirds of total industry, increased to 14.4 percent, from a rate of 14.1 percent in March 2013. The rate for the Utilities sub-sector remained unchanged at 1.0 percent.

Table 2: PPI and Inflation by Sector, April, 2013 (September 2006= 100)

Sector	Index level	Change rate (%)	
	Sept 2006=100	Monthly	Yearly
Mining & Quarrying	565.3	-4.9	2.4
Manufacturing	261.6	0.9	14.4
Utilities	303.3	0.0	1.0
ALL INDUSTRY	302.1	-0.1	10.2

The data in this table are provisional

Trends

During the 12-month period (April 2012 to April 2013), the highest year-on-year inflation of 19.1 percent for all industry was recorded in June and October 2012 and the lowest in February 2013 (9.1%). Between April and July 2012, the producer price inflation rose steadily. Thereafter, the rate fluctuated until December 2012. However, from December 2012 to February 2013, the rate declined to 9.1 percent but increased steadily to record 10.6

percent in March 2013, and subsequently declined to 10.2 percent in April 2013.

Manufacturing Sector

During the month of April 2013, seven out of the sixteen major groups in the manufacturing subsector recorded inflation rates higher than the sector average of 14.4 percent (Fig. 2). Manufacture of textiles recorded the highest inflation rate (33.1%) whilst producer prices in the manufacture of machinery and equipment n.e.c. recorded no change over the one year period.

Petroleum Price Index

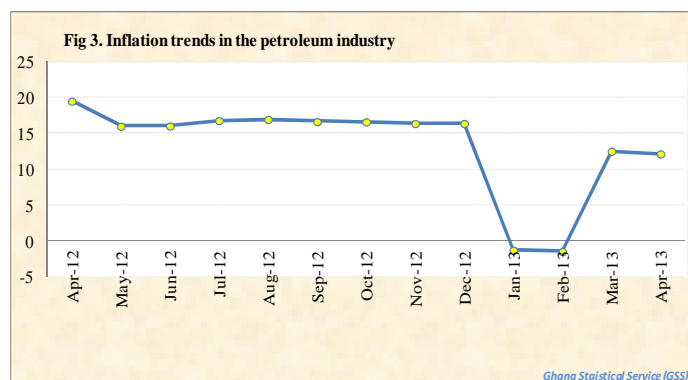
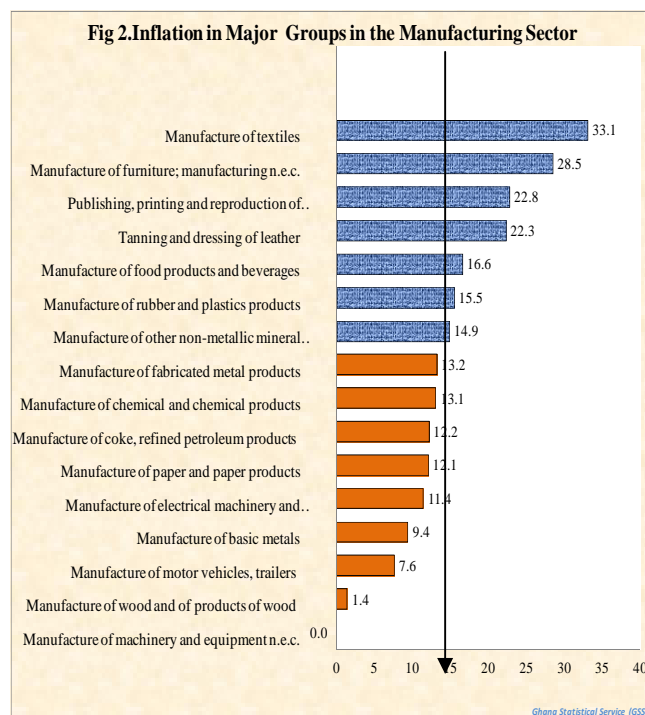
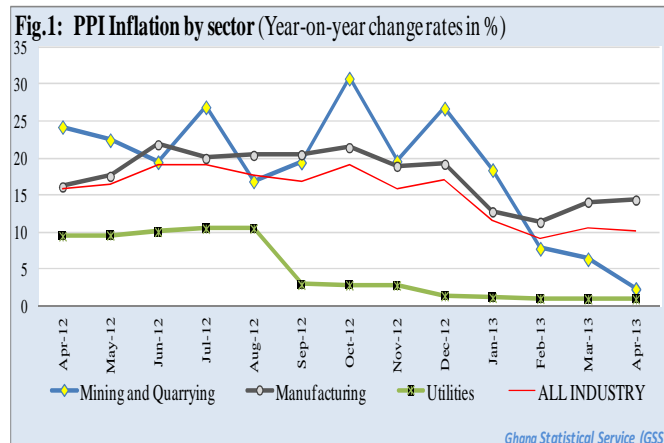
Between April 2012 and May 2012, the inflation rate in the petroleum sub-sector declined and thereafter remained stable until December 2012. However, it dropped in January 2013 and subsequently rose in March 2013. In April 2013, the rate remained virtually unchanged at 12.2 percent. (Fig.3)

Highlights

The year-on-year producer inflation for all industry was 10.2 percent in April 2013; the monthly inflation rate was -0.1 percent.

The Manufacturing sub-sector recorded the highest year-on-year producer inflation rate of 14.4 percent, followed by the mining and quarrying (2.4%) and Utilities (1.0%) sub-sectors.

The monthly changes in the producer price index indicated that manufacturing recorded a monthly inflation rate of 0.9 percent while mining and quarrying recorded -4.9 percent. The utilities sub-sector remained unchanged.



Copies of the Newsletter may be obtained from the information desk of Ghana Statistical Service or the GSS website at statsghana.gov.gh. For details of the PPI and for any further explanation, please contact the Industrial Statistics Section of the Ghana Statistical Service or call 0302-682640.